

WHAT IS CLAIMED IS:

- 1 1. A method for facilitating the sale of an item in an auction involving a
2 plurality of participants, comprising:
 - 3 identifying a bid for said item, said bid made by one of said
4 participants;
 - 5 identifying a transformation function associated with said bid; and
6 applying said transformation function to said bid to produce a
7 transformed bid.
 - 8 updating a state of said auction based on said transformed bid.
- 1 2. The method of claim 1, wherein said bid is an offer to purchase said
2 item.
- 1 3. The method of claim 1, wherein said bid is an offer to sell said item.
- 1 4. The method of claim 1, further comprising:
 - 2 updating a state of said auction based on said transformed bid.
- 1 5. The method of claim 4, further comprising:
 - 2 generating status data representing said state of said auction; and
3 presenting said status data to said plurality of participants.
- 1 6. The method of claim 4, further comprising:
 - 2 receiving a status request;

3 identifying a second transformation function based on said status

4 request; and

5 applying said second transformation function to said status data to

6 produce a transformed status.

1 7. The method of claim 6, wherein said second transformation function is

2 at least one of: a function dependent on said transformation function; a

3 function independent of said transformation function; and the inverse of said

4 transformation function over some range of said transformation function.

1 8. The method of claim 6, wherein said status request is received from

2 one of said participants.

1 9. The method of claim 8, wherein said second transformation function is

2 identified based on an identity of said participant.

1 10. The method of claim 6, wherein said transformed status indicates at

2 least one of: an amount which is different than an amount indicated by said

3 status data; auction information identical to said status data; and auction

4 information different than said status data..

1 11. The method of claim 5, wherein said status data includes data

2 identifying at least one of: a bidding rule, a winner determination mechanism,

3 a current acceptable bid, a current high bid price; an identity of the current

4 high bidder; historical price data; historical buyer data; a reserve price; a bid

5 increment; a current bid quantity; an order book composition; historical trading

6 volume data; a time until close of the auction; a description of at least one

7 transformation function, an item description; and a description of bundled
8 goods or services.

1 12. The method of claim 1, further comprising:
2 identifying at least a third transformation function associated with said
3 bid; and
4 wherein said applying includes applying both said transformation
5 function and said at least third transformation function to said bid to produce
6 said transformed bid.

1 13. The method of claim 12, wherein said at least third transformation
2 function is identified based on at least one of: said item, said participant, said
3 bid, and said transformation function.

1 14. The method of claim 1, wherein said transformation function is
2 comprised of a plurality of intermediate transformations.

1 15. The method of claim 14, wherein said plurality of intermediate
2 transformations are based on at least one of: said bid, said offer, said buyer,
3 said seller, said item, an identity of said seller, an identity of said buyer, a
4 relationship between said buyer and said seller, information about said buyer,
5 information about said seller, information about said item, information about
6 the state of said auction, information about prices for items comparable to
7 said item in other markets, information about an economy, information about
8 delivery of the item, information about the logistics and transportation, a bid
9 history in said auction, an offer history in said auction, a bid history in a
10 second auction, an offer history in a second auction, information about
11 commercial transactions conducted by said buyer, information about

12 commercial transactions conducted by said seller, information about sales or
13 purchase behaviors of said buyer, information about sales or purchase
14 behaviors of said seller, rules about the composition or interaction of
15 transformation functions, rules about the conduct of said auction, a
16 characteristic of said bid, and a characteristic of said offer.

1 16. The method of claim 14, wherein each of said intermediate
2 transformations are applied in a sequence.

1 17. The method of claim 1, wherein at least one of said receiving a bid,
2 said identifying a transformation function, and said applying said
3 transformation function are performed by a participant computing device
4 operated by said participant.

1 18. The method of claim 1, wherein at least one of said receiving a bid,
2 said identifying a transformation function, and said applying said
3 transformation function are performed by a service provider computing device
4 operated by a service provider.

1 19. The method of claim 1, wherein at least one of said receiving a bid,
2 said identifying a transformation function, and said applying said
3 transformation function are performed by an auction administrator computing
4 device operated by an auction administrator.

1 20. The method of claim 17, further comprising:
2 forwarding said transformed bid to an administrator over a
3 communications network.

1 21. The method of claim 1, wherein said receiving a bid, said identifying a
2 transformation function, and said applying said transformation function are
3 each performed by an auction administrator computing device operated by an
4 auction administrator, by a participant computing device operated by a
5 participant, or by a service provider computing device operated by a service
6 provider.

1 22. The method of claim 1, further comprising:
2 updating a state of said auction to indicate that said transformed bid is
3 the current best bid of said auction.

1 23. The method of claim 5, wherein said presenting is performed by at
2 least one of: posting said status for viewing; and transmitting said status via
3 electronic mail, via EDI messages, via XML messages, via instant messaging,
4 via Web-based forms, via telephone, via facsimile, or via telex.

1 24. The method of claim 1, further comprising:
2 verifying the accuracy of said transformation function.

1 25. The method of claim 24, further comprising:
2 updating a state of said auction to indicate that said transformed
3 bid is the current best bid if said verifying indicates that said transformation
4 function is accurate.

1 26. The method of claim 1, further comprising:
2 receiving at least a second bid for said item from a second participant;

3 comparing said second bid to said transformed bid to determine if said
4 transformed bid or said second bid is the current best bid; and
5 updating a state of said auction to identify the current best bid.

1 27. The method of claim 1, further comprising:
2 awarding said item to said participant for the terms set forth in said bid
3 if said transformed bid is the current best bid at an end of a bidding period for
4 said item.

1 28. The method of claim 1, wherein said bid includes at least one of: a bid
2 price; a bid quantity; a desired delivery option, and a desired configuration.

1 29. The method of claim 28, wherein said transformation function modifies
2 said bid price and is at least one of: a discount; a rebate, a shipping
3 adjustment, a duty adjustment, another logistics cost adjustment, a tax
4 adjustment, a foreign exchange adjustment, a configuration adjustment, a
5 quality adjustment, a fee waiver, an adjustment to reflect purchase quantity,
6 an adjustment to reflect purchasing volumes over some time period, an
7 adjustment to reflect required or desired service level, an adjustment to reflect
8 required or desired warranty terms, an adjustment to reflect costs of
9 aftermarket service such as warranty claims and customer support, an
10 adjustment to reflect payment terms, an adjustment for required or desired
11 ancillary services, an adjustment for additional bundled goods or services, an
12 adjustment to reflect expected utility, an adjustment to reflect a preferred
13 shipping mode, an adjustment to reflect a preferred shipping route, an
14 adjustment to reflect a business relationship, an adjustment to reflect a
15 marketing or promotion program, an adjustment to reflect a supply chain
16 status information

1 30. The method of claim 28, wherein said transformation function modifies
2 said bid price and includes at least one of: a fixed percentage multiplier of
3 said bid price; a percentage multiplier of said bid price that varies with a
4 quantity of said bid; a percentage multiplier of said bid price that varies with a
5 magnitude of said bid price; a fixed addition to said bid price; a fixed addition
6 to said bid price that varies with a magnitude of said bid price; an amount
7 added to said bid price that varies with a magnitude of said bid price; a linear
8 function; and a non-linear function.

1 31. The method of claim 1, wherein said transformation function includes at
2 least one parameter whose value is determined based on data extrinsic to
3 said auction.

1 32. The method of claim 31, wherein said at least one parameter includes
2 at least one of: a foreign exchange rate; a shipping rate; an interest rate, an
3 amount about other auctions, a number about the supply chain status, and a
4 market price of a component of said item.

1 33. The method of claim 1, wherein said transformation function is selected
2 based on information about at least one of: said participant; a supply chain of
3 said participant; a seller of said item; said auction; said bid; at least one other
4 auction; said item; and inventory levels associated with said item.

1 34. The method of claim 1, wherein said auction is at least one of: an
2 English auction, a Dutch auction, a Japanese auction, a sealed-bid auction, a
3 double auction, a multiple-unit auction, a time interval auction, a call auction, a

4 first price auction, a uniform second price auction, a bundle auction, a
5 combinatorial auction, and a multi-attribute auction.

1 35. The method of claim 1, wherein said auction is a sell-side auction and
2 wherein each of said plurality of participants is a prospective buyer of said
3 item, and wherein said bid is an offer to purchase.

1 36. The method of claim 1, wherein said auction is a buy-side auction and
2 wherein each of said plurality of participants is a prospective seller of said
3 item, and wherein said bid is an offer to sell.

1 37. The method of claim 1, wherein said auction is a two-sided auction and
2 wherein said plurality of participants includes at least one prospective buyer of
3 said item and at least one prospective seller of said item, wherein said bid is
4 at least one of an offer to buy or an offer to sell.

1 38. A method for facilitating the sale of an item in an auction involving a
2 plurality of participants, comprising:

3 receiving a request for a status of said auction from a participant;
4 identifying at least a first transformation function associated with said
5 request for status;
6 applying said at least first transformation function to said status to
7 generate a transformed status; and
8 presenting said transformed status to said participant.

1 39. A method for facilitating the sale of an item in a auction involving a
2 plurality of participants, comprising:

3 receiving, from a first participant, a bid on said item;

4 identifying at least a first transformation function associated with said
5 bid;
6 applying said at least first transformation function to said bid to
7 generate a transformed bid;
8 updating a status of said auction to reflect said transformed bid;
9 receiving, from a second participant, a status request;
10 identifying at least a second transformation function associated with
11 said status request;
12 applying said at least second transformation function to said status
13 request to generate a transformed status; and
14 presenting said transformed status to said second participant.

1 40. A method for participating in an auction involving a plurality of buyers
2 and at least one seller of an item, comprising:
3 registering to participate as a buyer in said auction; and
4 establishing at least a first transformation function for use in said
5 auction.

1 41. The method of claim 40, further comprising:
2 submitting an bid on said item, the bid operated on by said at least first
3 transformation function to create a transformed bid; and
4 receiving a status of said auction, said status reflecting said
5 transformed bid.

1 42. An exchange registration method, comprising:
2 receiving information identifying a buyer; and
3 establishing, based at least in part on said information identifying said
4 buyer, at least one transformation function for said buyer, said at least one

5 transformation function for use in transforming bids made by said buyer in at
6 least one exchange.

1 43. The method of claim 42, further comprising:
2 communicating said at least one transformation function for said buyer
3 to an administrator of said at least one exchange.

1 44. A method for conducting an exchange having a plurality of buyers
2 competing for an item offered by a seller, the method comprising:
3 receiving, from a first buyer, a first bid for said item;
4 identifying a transformation function associated with said first bid;
5 applying said transformation function to said first bid to produce a first
6 transformed bid;
7 receiving, from a second buyer, a second bid for said item;
8 identifying a second transformation function associated with said
9 second bid;
10 applying said second transformation function to said second bid to
11 produce a second transformed bid; and
12 comparing said first and second transformed bids and accepting the
13 best as the current best bid of said exchange.

1 45. A method for conducting an exchange having a plurality of buyers
2 competing for an item offered by a seller, the method comprising:
3 receiving, from a first buyer, a first transformed bid for said item, said
4 first transformed bid produced by a first transformation function;
5 receiving, from a second buyer, a second transformed bid for said item,
6 said second transformed bid produced by a second transformation function;
7 and

8 comparing said first and said second transformed bids and accepting
9 the highest as the current bid of said exchange.

1 46. A method for bidding on an item in an exchange, comprising:
2 generating an bid for said item;
3 identifying at least a first transformation function for said bid;
4 applying said at least first transformation function to said bid to
5 generate a transformed bid; and
6 forwarding said transformed bid to an administrator.

1 47. A personalized dynamic pricing method, comprising:
2 identifying a first bid for an item in an auction;
3 applying a first transformation function to said first bid to generate a
4 transformed first bid;
5 updating a status of said auction to reflect said transformed first bid;
6 and
7 generating a transformed status of said auction.

1 48. An apparatus for facilitating the sale of an item in an auction involving a
2 plurality of participants, comprising:
3 means for identifying a bid for said item, said bid made by one of said
4 participants;
5 means for identifying a transformation function associated with said
6 bid; and
7 means for applying said transformation function to said bid to produce
8 a transformed bid.

1 49. An apparatus for facilitating the sale of an item in an auction involving a
2 plurality of participants, comprising:
3 a processor;
4 a communications device in communication with said processor,
5 receiving bid data, including a bid for said item, said bid made by one of said
6 participants; and
7 a memory unit in communication with said processor and storing a
8 program, wherein the processor is operative with said program to
9 identify a transformation function associated with said bid; and
10 apply said transformation function to said bid to produce a
11 transformed bid.

1 50. An auction system, comprising:
2 a participant device including a communications device transmitting a
3 bid for an item offered in said auction;
4 an auction service provider device, including a processor, a
5 communications device in communication with said processor receiving said
6 bid, and a memory unit in communication with said processor and storing a
7 program, wherein said processor is operative with said program to
8 identify a transformation function associated with said bid; and
9 apply said transformation function to said bid to produce a
10 transformed bid.